

## Legislative Updates of Interest for Higher Education: Week of Apr. 18-22, 2016

(Highlighted & bolded text is linked to source. Bill numbers go to the most recent version on the SC General Assembly website, [www.scstatehouse.gov](http://www.scstatehouse.gov). This report is not intended to be all inclusive. For additional information on the 2016 session, see SC General Assembly website. For information reports on CHE's website, [Click Here](#))

### In the House

- [H.4795](#), which amends Palmetto Fellows Scholarship requirements to enable those earning the award to delay college entrance for one year and retain eligibility, was passed by the House with the House adopting the bill as recommended by the House Education & Public Works Committee. On Wednesday, the bill was sent to the Senate where it was introduced and referred to Senate Education.
- [S.1233](#), which amends §4-10-470 to change criteria for counties in which the education capital improvements sales and use tax may be imposed, was introduced and referred to House Ways and Means.

### In the Senate

- 2016-17 Budget Update: The full Senate Finance Committee met during the week on the budget bills ([Appropriations Act Bill, H.5001, and Capital Reserve Fund Bill, H.5002](#)) and by Thursday adopted recommendations. The bills as adopted by the committee were posted online on Sunday and are available [HERE](#). It is anticipated that the floor debate will take place beginning Thursday, April 28, and continue during the following week. (For the 2016 schedule for consideration of the budget bills, [Click Here](#).)
  - For CHE, recommendations include: an increase of \$1,170,000 including: (\$600,000 recurring and \$100,000 nonrecurring for core agency mission functions; \$125,000 nonrecurring for legal staffing; \$300,000 recurring and \$30,000 nonrecurring for agency technology needs); increased SREB funds as requested at \$245,212 (funded in recurring and nonrecurring); increased College Transition Need-based Grants of \$170,822 as requested; and \$15,000 recurring requested to restore the Professor of the Year program. Supported with the core agency funding is the addition of 6 state-funded positions that will assist CHE in carrying out mission responsibilities relating to higher education programs and budget. Also related to staffing, authority provided to CHE in the lottery proviso for scholarship administration and audit remained level with the current year at \$345,000.
  - Scholarships (Palmetto Fellows, LIFE, and HOPE) are fully funded for growth. The increase funded was \$6,426,600 and like the House budget, about \$33 million in General Funds was shifted to the lottery for merit-based scholarships. Lottery Tuition Assistance and SC National Guard College Assistance remain level as requested. Need-based Grant funding was increased by \$1,937,078 as was Tuition Grants which received an increase of \$2,534,474. Also funded in the lottery was \$5 million provided for State Technical College System Workforce Scholarships and Grants, a program that had been included last year.

The Lottery Expenditure Proviso includes a new provision to require the State Department of Education (SDE) in cooperation with CHE to report by December 31, 2016 on the impact of SDE's change from a 7-point to 10-point grading scale on the merit-based scholarship programs. The report is to include recommended alternatives for funding the programs and mitigating the impact on the awards which may include consideration of changes to the criteria.
  - For the public colleges and universities (includes technical colleges), an increase of \$28 million in recurring funds was provided which represents about a 6% increase in base funds. Nonrecurring funds, including lottery funding to institutions, totaled \$152 million. The non-recurring funding includes: 1) 2 items that have been funded since the lottery inception but not included in the House budget (\$7.242 million in lottery technology funds for public 2-year and 4-year, \$2.5 million for SC State); 2) \$3.9 million to continue a reimbursement for lost tuition and fee revenue due to legislation enacted in 2015 to provide certain out-of-state veterans with in-state tuition; and 3) the balance primarily for facilities maintenance, equipment, and related projects.
  - PASCAL was recommended at \$1,412,514, a level consistent with the current year, and included as the first priority for funding beyond certified unclaimed lottery prize funds. Also included in the lottery was \$6,072,474 for the Higher Education Excellence Enhancement Program.
  - A pay raise for state employees of 4% was included and employee health and retirement plan increases were also funded.

For information reported previously on the House budget recommendations [Click Here](#). Information is subject to change as the recommendations move through the process.

- Committee reports were received: [S.685](#), relating to the regulation of engineers and surveyors, reported favorably with amendment by Labor, Commerce and Industry; and [H.4941](#) relating to SDE and the development of a statewide program for identifying fiscal practices and budgetary conditions relating to K-12 schools.

For information on other bills of interest under consideration during the 2015-2016 Session, [CLICK HERE](#).